Chair Ranodore Foggs called the meeting to order at 10:33 a.m.

**Members Present**
Ranodore Foggs, Sister Julia Huiskamp, Jerome Jackson, Karen Davis; Linda Matkowski participated via telephone.

**ISBE / District Staff Members Present**

**Approval of Minutes**
Member Davis moved, with a second by Member Jackson, to approve the June 27, 2012 and July 6, 2012 FOP meeting minutes. The motion carried on voice vote.

**Public Comment**
There were no public comments.

**District Finance Report**
Superintendent Culver shared that a meeting was held on July 26, 2012 to discuss the financial status and academic needs of the district. Information was shared regarding the projected proposed budget for SY13, staffing reductions from 2010 – 2012, the impact of balancing the budget for FY13, and short-term/long-term financial solutions. Participants included State Superintendent Chris Koch, ISBE staff members Matt Vanover, Deb Vespa, Carl Holman and Robert Wolfe, FOP members Ranodore Foggs and Linda Matkowski, Senator James Clayborne, Stifel Finance Senior Vice President Mary Kane, and district administrators Dorland Norris, Beth Shepperd, Adil Khan, Nick Mance and Sue McGown.

Nick Mance, Internal Auditor, provided an overview of three budget scenarios for SY13:
- Summary of FY13 balanced budget (additional reductions in personnel & programs)
- Summary of FY13 Budget Part B ($6.6 million deficit; no hiring/recalls as of July 1)
- Summary of Proposed Staffing ($9.8 deficit)

Deputy Superintendent Dorland Norris and Assistant Superintendent Beth Shepperd spoke briefly regarding the impact of the following in Scenario #1 (Balanced Budget) & Scenario #2 ($6.6 million deficit budget):
- Freezing all non-grant funded staffing at current level
- Class sizes of 36-43 in grades 1-5
- Dunbar and Bush cannot accommodate large class sizes
- Class sizes exceeding contractual limits of 30-32 at middle & high schools
- Loss of elective classes including band, a strong source of scholarships for our students
- Loss of electives/extracurricular opportunities including athletics, music, career & technology courses, foreign language
- Loss of technology infrastructure due to lack of maintenance
- Severe lack of opportunity for academic success
- Increased discipline issues due to lack of administrative support
- Lack of opportunity for success with the School Improvement Grant initiative
- Increased crime affecting schools and students due to lack of security
- Non-compliance with state and federal special education mandates
- Non-compliance with federal guidelines for maintenance of local effort
- Lack of opportunity to improve academic achievement for all students

Sue McGown, Executive Director, touched briefly regarding the impact of the following in Scenario #3 ($9.8 million deficit budget):
- Classes sizes between 28-30 at middle school level; 28-32 at high school level
- Keeping athletics
- Elimination of librarians
- Elimination of two counseling positions (reduced support for social/emotional needs)
- Elimination of an additional band director and a computer teacher
- Elimination of 6-8 middle school positions

Superintendent Culver stated that one of the purposes of the FOP was for the district to obtain funding but, that has not occurred. Administration had to develop a plan to make it through the year. The Superintendent recommended Scenario #3 ($9.8 million deficit budget) combined with continued reductions whenever possible, a short-term solution for cash flow, and a long-term solution for funding of property-poor districts throughout the state. While he does not support a deficit budget of any size, he could not recommend a balanced budget as that would result in a severe lack of opportunity for academic success for our students. The district will begin the year in non-compliance with special education mandates. IEPs will be reviewed.
Upon evaluation of IEPs and student needs, administration will recommend the teachers necessary for compliance.

Superintendent Culver asked the FOP to approve staffing contingent upon the administration making $3-$3.5 million of additional cuts. The additional cuts will be presented to the Board of Education for their consideration.

**ISBE Report**
Deb Vespa shared that ISBE staff is currently looking at Title funding to see if resources can be identified to assist District 189. She concurred with the Superintendent that there is language in the statute that allows for a grant and a loan. The grant will require discussion at the General Assembly to approve appropriation of funds.

**Resolution – Emergency Financial Assistance Grant**
Attorney Garrett Hoerner presented the resolution proposing for an emergency financial assistance grant. Superintendent Culver requested that the FOP approve the resolution, which would provide $1,000 per pupil. This could create revenue of $7 million that could in effect close the $6.8 million deficit. HB2984 proposes to increase such a grant to $2,000 per pupil, which would equal to approximately $14 million. Before the State Superintendent can approve such a grant, there must be sufficient appropriation from the General Assembly for the District financial assistance fund, and the transfer of the funds must occur. The FOP requested adding language to the resolution stating how the funds would be used.

**Executive Session**
Member Davis moved, with a second by Member Jackson, to convene into Executive Session in accordance with the Illinois Open Meetings Act (5 ILCS 120/2c) to consider personnel 120/2/c/(1), negotiations 120/2/c/(2), property acquisition/lease/purchase 120/2/c/(5), price for sale or lease of property 120/2/c/(6), and litigation 120/2/c/(11). The motion carried on voice vote.

The Panel convened into Executive Session at 12:00 p.m.

**Open Session**
The Panel re-convened into Open Session at 1:20 p.m.

**Roll Call**
Ranodore Foggs, Sister Julia Huiskamp, Jerome Jackson, Karen Davis; Linda Matkowski participated via telephone.
**Consent Agenda & Action Agenda**


**Action Items Approved**

11.A (Finance Items, A-I, Treasurer’s Report, Monthly Bills, Obligations, Payroll)
11.B (Lease Agreement between ESTL 189 & Southern Illinois District of Lutheran Church for Hawthorne School basic rent, April 1, 2012 through March 31, 2013 - $14,000 per year)
11.C (Subcontract agreement between ESTL 189 & SIUE for SIUE Head Start/Early Head Start & ESTL Early Childhood Center – $50,239)
11.D (AOS, LLC for annual CISCO Smartnet renewal contract for district’s phone system - $13,099.42)
11.E (MCS Software food service annual support fee - $8,400)
11.F (SRO Intergovernmental Agreement between ESTL 189 & City of East St. Louis - $320,000 per year for one year for five (5) School Resource Officers)
11.G (Award of computer and technical support bid to United Technologies for desk top base bid - $637; Laptop base bid - $735; iPad, 16GB base bid - $529)
11.H (Award armored car services to Loomis Armored at annual cost of $15,155.12 for nine (9) months)
11.I (Lease between ESTL 189 and SIUE for space at Vivian Adams ECC - $260,958)
11.J (Purchase & installation of playground equipment from Gametime Equipment for Officer Elementary using state contract - $42,000)
11.K (Professional development & professional development addendums for stipends)
11.L (Freshman Week Jumpstart - $51,871)
11.M (Payment to four (4) counselors, $400/day for five (5) days prior to August 15 to schedule students at high school)
11.N (Purchase of technology, software, tutorial services, online services, monitoring tools - $460,947.90 – Title I)
11.O (LUDA membership dues for 2012/2013 - $3,000)
11.Q (Cost proposal by Lowry Electric Company for electrical repairs at Miles Davis - $58,500)
11.R (Proposal from MGS to board up Nelson Mandela - $2,860; Proposal from Hamel, Inc. to board up Lincoln HS - $6,500)
11.S (Registration & meals for Director of Technology Abe Loveless to attend two-day conference, Bloomington, IL - $177.10)
11.T (Bell & P.A system for ESTL high school - $17,000)
11.U (Resolution – Worker’s Compensation Claim)

12.A (Cost proposal from Environmental Consultants for lead-based consulting at Miles Davis School - $4,020)
12.B (Cenpro Services for clean-up at Miles Davis School - $12,800)
12.C (Award of janitorial supply bids to: New Systems - $104,136; CSC Supply - $55,484.70; UNIPAK - $29,399; Total cost - $189,020.30)

Member Davis moved, with a second by Member Jackson, to approve Action Item 12.D. The motion carried on voice vote.
12.D (Award of various surplus properties to highest bidder - Edgemont School, Brown School, Lillie Freeman School, Nelson Mandela School, McHenry School, and Land -1100 Piggott)

Personnel Separations & Employments (July 23 & July 26, 2012 District Board meetings)
Member Davis moved, with a second by Member Jackson, to approve personnel separations and employments, except items 13.B.2.d and 13.B.2.u, contingent upon the administration cutting additional $3 - $3.5 million from budget. The motion carried on voice vote.

Member Jackson moved, with a second by Member Davis, to disapprove personnel item 13.B.2.d (recall of 200-day clerk for Miles Davis). The motion carried on voice vote.

Member Jackson moved, with a second by Member Davis, to disapprove personnel item 13.B.2.u (assistant principal at Lincoln Middle School) as the individual declined the offer. The motion carried on voice vote.

Adjourment
There being no further business, Member Jackson moved, with a second by Davis, to adjourn the meeting at 1:25 p.m. The motion carried on voice vote.

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Chair, Financial Oversight Panel